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Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

July 14, 1992

Mr. Ken A. Kluksdahl Mine Manager Tenneco Minerals Company - Utah P.O. Box 2650 St. George, Utah 84770

> Ken or Mr Klubeda

Dear Mr. Kluksdahl:

Re: <u>Conditional Notice of Tentative Approval, Tenneco Minerals Company - Utah, Goldstrike Mine, M/053/005, Washington County, Utah</u>

The Division has completed its review of Tenneco Minerals latest permit revision response document, dated May 19, 1992, and has determined the response to be adequate and complete. Tenneco has provided sufficient technical detail to enable this Division to determine the permit revision application conceptually complete. We are now prepared to issue our tentative approval of this proposal. The Division has prepared a public notice which will be forwarded to the appropriate newspaper agencies to initiate a 30-day public comment period. Once the remaining items (as outlined below) have been resolved, and provided no substantive comments are received by the Division during the public comment period, the Division will be prepared to grant its final approval of Tenneco's project revision.

The following items remain to be addressed as points of clarity. We assume they can be resolved prior to the expiration of the 30-public comment period.

R647-4-106.2 Operation Plan. - DWH

The Division has evaluated the proposed design plans for the third "valley fill" leaching facility. We find the plans to be conceptually complete and acceptable. However, we also recognize that ultimate design details and decommissioning standards will need approval of the Bureau of Land Management and the Utah Department of Environmental Quality (DEQ),

Page 2 Mr. Ken A. Kluksdahl M/053/005 July 14, 1992

Division of Water Quality (DWQ). Therefore, our approval of this facility will be conditioned upon Tenneco's receipt of final DEQ and BLM approval. We request copies of the final approved design plans and decommissioning/effluent standards for the new leaching facility once they have been established by the DEQ (and BLM, as applicable).

R647-4-107. Operation Practices. - HWS/DWH

107.2 and 107.3 - Drainages & Erosion Control

The Division needs further clarification regarding the description of the low-flow crossing construction. Page 62 of the plan describes the construction of the crossings, but fails to answer all our questions. We are particularly interested in the outslope of the riprapped channels. Will they be designed such that they will contain all the runoff from a 100-year 24-hour event storm? What will be their bottom width versus top width? Will the crossings be designed such that all runoff flowing across the road will be contained within the riprapped channel constructed on the outslope of each low-flow crossing?

An inspection was conducted by Division staff on July 2, 1992, of the approved Covington pit road development. It was noted that there has been some change to the proposed road alignment and culvert locations as outlined in the approved amendment plans. Tenneco must provide the Division with updated "as-built" drawings which identify all changes that have been made on the ground as part of the ongoing haul road construction. We also request that Tenneco provide this office with advance notice prior to implementing similar significant design changes that are contrary to the approved plans.

It was also noted that a new culvert (@2 ft. diameter) has been emplaced under the new haul road to bypass drainage from Peg Leg Gulch. It is suggested that a trash rack be installed over the inlet to this culvert to prevent it from plugging with runoff debris. In Tenneco's May 19, 1992 response, a commitment is made to install trashracks on all culverts which are *not* designed to safely pass the runoff from the 100-year, 24-hour precipitation event. We recommend that any culvert which cannot be easily entered to remove entrapped debris (<3 feet diameter?), receive a trash rack.

Page 3 Mr. Ken A. Kluksdahl M/053/005 July 14, 1992

R647-4-111.2 Reclamation Practices, Natural Stream Channels. - DWH

In Tenneco's May 19, 1992, response (page 71, revised text) to the Division's final approval of the permit amendment, a commitment is made to remove the culverts and road fill from drainages 1T, 2B, 4A, and 5A upon final reclamation. The approximate original stream channel configurations would subsequently be reestablished. The revised text (page 71) also states that where low-flow crossings are constructed, the channels would be reestablished across the roads. On page 2 of Tenneco's May 19th cover letter, it is stated that the low-flow crossings will remain in place with little or no modification because they will be designed to pass the 100-yr, 24-hr precipitation event.

These statements are somewhat contradictory. As stated in previous Division review documents, our reclamation cost estimate will reflect a "worst case" scenario of removing the fill associated with all the low-flow crossings and reestablishment of approximate original stream channel configurations. The final decision for allowing any low-flow crossings to remain will be made jointly by the Division, BLM and the county(?) upon mine closure. The decision will be based upon performance and maintenance records obtained over the remaining mine life.

The Division has considered the May 19, 1992 letter from JBR Consultants, regarding Tenneco's request for re-evaluation of the haul road low-flow crossings on drainages 2B and 4A. Arguments are presented regarding the Division's 100 cfs "cut-off" for requiring culverts to be installed in lieu of the proposed low-flow crossing. After evaluating the supplemental information provided, the Division is not convinced or prepared to change its position on this issue. Our original decision stands on culverting those drainages that will have design flow discharge rates in excess of 100 cfs.

R647-4-113.3. Surety. - AAG

An estimate of the volume of fill material to be placed in proposed low-flow crossings (2B & 4A) is needed to adjust the reclamation estimate. The Division has assumed some volumes and has prepared a draft estimate (attached) based upon those assumptions. Please provide further clarification in this regard.

Page 4 Mr. Ken A. Kluksdahl M/053/005 July 14, 1992 On page 71 of the plan, it states that approximately 6,000 LF of Goldsil haul road will be regraded, but the reclamation treatments maps only show @3,400 LF of regraded road. Please explain this discrepancy. R647-4-110.2. Reclamation Plan. - AAG continued long-term maintenance?

Tenneco's latest response indicates negotiations with the BLM and County are currently underway to leave the haul road for continued post-mine use. What is the current status of these negotiations and who will assume

As you know, the Board of Oil, Gas and Mining (on March 25, 1992), approved of Tenneco's amount and form of revised reclamation surety (pursuant to the Covington permit amendment). A subsequent board approval may not be required, unless a significant increase to the surety becomes necessary as part of our final approval of this revision. We will try to coordinate our public comment period and issuance of final approval with the Bureau of Land Management to the extent possible. Thank you for your continued cooperation and patience in completing this permitting action.

Sincerely,

owell P. Braxton

Associate Director, Mining

jb

cc: Debbie Pietrzak, Dixie RA, BLM

Don Ostler, DWQ Elliott Lips, JBR

Minerals staff (route)

M053005.1



DRAFT

Tenneco Minerals Company (TMC)

Goldstrike Mine

Washington County

M/053/005

last revision

July 13, 1992

Prepared by Utah State Division of Oil, Gas & Mining

Reclamation Details

- -TMC estimates, DOGM unit costs, Means Site Work & Blue Book used
- -Generator for decommission of heap leach (10 months)
- -Decommission labor, reagents, supplies, vehicles, etc.(TMC estimate)
- -Regrade leach pads, plant, ponds, Padre dump & road, 6000' Goldsil road
- -Rip ponds to 24"; all roads, plant, crusher, & contractor sites to 12"
- -Remove 4 + 4 culverts; haul, dump, & spread fill (TMC estimate)
- -Partial backfilling of Padre & Moosehead pits (to be non-impounding)
- -Remove 6 low-flow crossings (re-establish channels)
- -Hauling & placing topsoil by scrapers, dozers, & water truck
- -Seeding, mulching, crimping, fertilizing or hydroseeding (TMC estimate)
- -Miscellaneous: plant & lab demolition, equip. mob/demob, DI pipeline

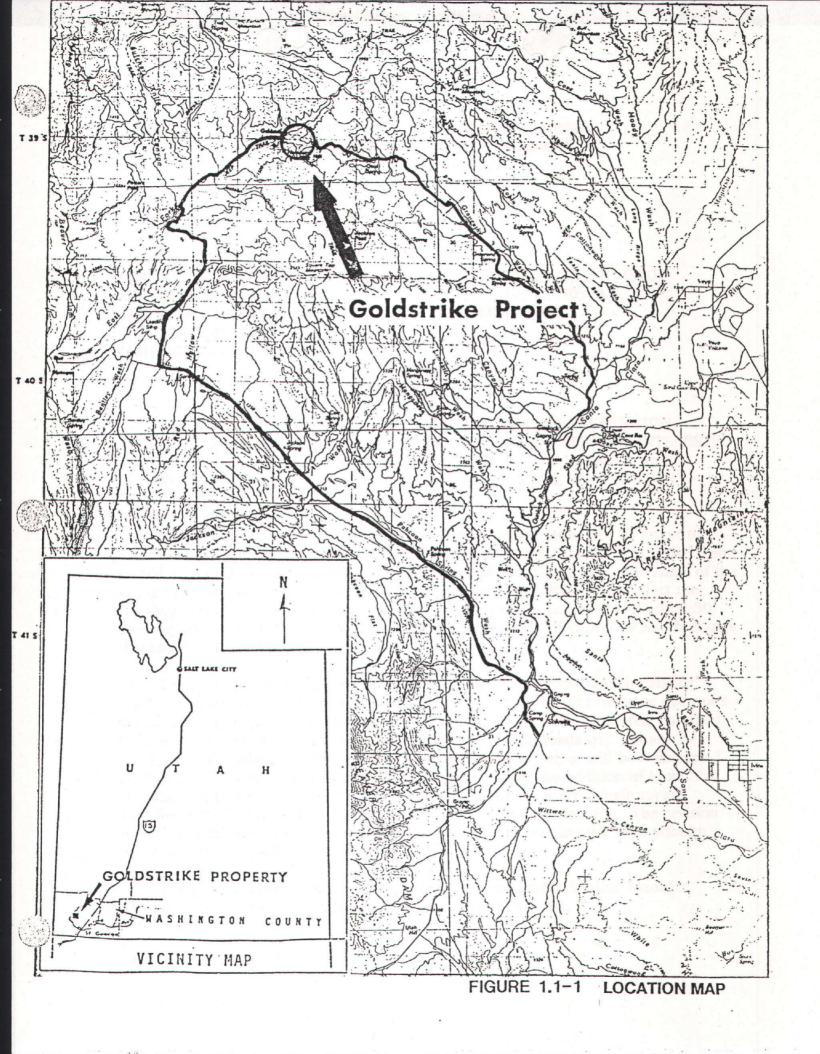
-Total disturbed area = 382 acres, reclaimed area =		323 a	323 acres	
Description	Amount		\$/Unit	Cost-\$
Generator (Decommission)	10	mo	750	7,500
Labor (Decommission)	TMC esti	mate		348,200
Miscellaneous (Decommission)	10	mo	6,000	60,000
Regrading	1,770	hr	185	327,450
Ripping	107	hr	191	20,437
Culvert Removal (Goldstrike= 4)	4		200	800
Culvert Removal (Goldsil= 4)	TMC esti	mate		71,700
Pit Backfill (Padre & Moosehead)	600,000	ton	0.333	199,800
Removal of low-flow crossings	6	each	6,700	40,200
Topsoiling (TMC estimate)	547	hr	686	375,242
Revegetation	TMC esti	imate		184,200
Highwall Fence (TMC est)	2,150	ft	3.67	7,891
Miscellaneous	TMC esti	imate		39,000
Supervision	TMC esti	imate		44,500
	UBTOTAL			1,726,920
+ 10% CONT	INGENCY			172,692
SUBTOTAL		4.50	1,899,611	
+ 5 yr ESCALATIO	ON(1.27%)			123,728
	TOTAL			2,023,340
ROUNDED TOTAL	IN 1997-\$			\$2,023,000
Average cost per acre =	\$6,263	per ac	re	

m/053/005

STATE ACTIONS

Mail to: Grants Coordinator State Clearinghouse 116 State Capitol, SLC, Utah 84114 533-4971

Administering State Agency: Division of Oil, Gas and Mining	2. State Application Identifier Number: (assigned by State Clearinghouse)		
355 West North Temple, Suite 350 Salt Lake City, Utah 84180-1203	3. Approximate date project will start:		
	September 1, 1992		
4. Areawide clearinghouse(s) receiving State Action:			
John Williams Five County Association of Governments P. O. Box 1550 St. George, Utah 84771			
Type of action: Lease Permit License Land Acquisition Land Sale Land Exchange Other Revision to Existing Permit			
6. Title of proposed action: Issuance of Division approval for a permit revision	to Tenneco Minerals existing Goldstrike Mine.		
7. Description: Tenneco Minerals has submitted a complete permit revision application to expand their existing Goldstrike mining operation in Washington County, Utah. Proposed activities include the following: Development of 5 new pits (@60 acres), additional haul road development to access pits (@64 acres), one new waste rock dump (@ 13 acres), and a new leach pad #3 (Valley Fill) comprising (@14 acres). Total project revision disturbance equals 157 acres. Total mine site disturbance will equal 382 acres. A \$2,000,000 reclamation surety has been provided to cover decommissioning and reclamation costs.			
8. Land affected (site location map required) (indicate county): Combination of privately held and BLM managed la Section 30, Township 39 South, Range 18 West; and Washington County, Utah	ands. SE/4 and S/2 - Section 19; N/2 - Section 20; and NW/4 - d NE/4 - Section 25, Township 39 South, Range 19 West, SLBM,		
9. Has the local government(s) been contacted? Yes			
10. Possible significant impacts likely to occur: "State of the Art" mining and heap leaching methodologies will be employed to minimize impacts to the environment and to the health and safety of the general public. Stringent design requirements of the State Department of Environmental Quality, the Bureau of Land Management and State Division of Oil, Gas and Mining will be implemented by Tenneco to assure potential impacts to environment are eliminated or controlled during and after operations.			
11. Name and phone number of district representative from your agency near project site, if applicable: N/A			
12. For further information, contact: D. Wayne Hedberg (Division of Oil, Gas and Mining)	13. Signature and title of authorized officer: Permit Supervisor Minerals Regulatory Program		
Phone: (801) 538-5340	Date: JULY 14, 1992		



Page 3 Tenneco Permit Revision Public Notice M/053/005 Any person or agency aggrieved by this notice of intent to issue tentative approval is hereby requested to submit written protest within thirty (30) days of the date of publication to the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203, setting forth factual reasons for his or her complaint, and thereafter, at a time and place to be established, appear before the Board of Oil, Gas and Mining to show cause, if any, why this mine plan revision should not be approved. DATED THIS 14th day of July, 1992. STATE OF UTAH DIVISION OF OIL, GAS AND MINING Suwell & Brafton Dianne R. Nielson Director



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Dee C. Hansen
Striad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

July 15, 1992

Newspaper Agency Corporation Legal Advertising P. O. Box 45838 Salt Lake City, Utah 84145

Gentlemen:

Re: NOTICE OF TENTATIVE APPROVAL - M/053/005

Attached is a Notice of Tentative Approval from the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah.

It is requested that this notice be published ONCE ONLY as soon as possible, but no later than the 18th day of July, 1992. In the event that said notice cannot be published by this date, please notify me immediately by calling 538-5340.

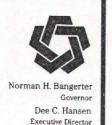
Upon completion of this request, please send proof of publication and statement of cost to the Division of Oil, Gas and Mining, 355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Utah 84180-1203.

Sincerely,

Joelle Burns

Minerals Secretary

Joelle Burns



Dianne R. Nielson, Ph.D.
Division Director

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

00

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

July 13, 1992

Daily Spectrum Legal Advertising P. O. Box 1630 St. George, Utah 84771

Gentlemen:

Re: NOTICE OF TENTATIVE APPROVAL - M/053/005

Attached is a Notice of Tentative Approval from the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah.

It is requested that this notice be published ONCE ONLY as soon as possible, but no later than the 17th day of July, 1992. In the event that said notice cannot be published by this date, please notify me immediately by calling 538-5340.

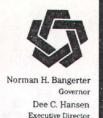
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Sincerely,

Jselle Burns

Joelle Burns

Minerals Secretary



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Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director
Division Director

July 14, 1992

Permian Exploration Account 515 Madison Avenue, 32nd Floor New York, New York 10022

Gentlemen:

Re: Public Notice to Owners of Record, Mine Plan Permit Revision, Tenneco Minerals Company - Utah, Goldstrike Mine, M/053/005, Washington County, Utah

Pursuant to Rule 647-4-116 of the Utah Division of Oil, Gas and Mining's Minerals Reclamation Program, you are hereby notified of the Division's intent to issue tentative approval for Tenneco Minerals revised permit application for their Goldstrike project in Washington County, Utah. This rule requires that all owners of record of the land affected be notified of said action. A copy of the attached public notice that will be published in the local and Salt Lake area newspapers is attached for your reference and information.

Anyone aggrieved by this tentative decision is hereby advised to file a written protest with this Division setting forth factual reasons why this proposed operation should not be approved. Written objections of substance, received by the Division during the public comment period, will be heard at a hearing before the Board of Oil, Gas and Mining, in accordance with UCA §40-8-8.

Sincerely,

D. Wayne Hedberg

Permit Supervisor

Minerals Regulatory Program



Division Director

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

00

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

July 14, 1992

Mr. Paul Lamoreaux Padre Mining Company, Incorporated P. O. Box 610 Parowan, Utah 84761

Dear Mr. Lamoreaux:

Re: Public Notice to Owners of Record, Mine Plan Permit Revision, Tenneco Minerals Company - Utah, Goldstrike Mine, M/053/005, Washington County, Utah

Pursuant to Rule 647-4-116 of the Utah Division of Oil, Gas and Mining's Minerals Reclamation Program, you are hereby notified of the Division's intent to issue tentative approval for Tenneco Minerals revised permit application for their Goldstrike project in Washington County, Utah. This rule requires that all owners of record of the land affected be notified of said action. A copy of the attached public notice that will be published in the local and Salt Lake area newspapers is attached for your reference and information.

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Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program



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Governor
Dee C. Hansen
Division Ph.D.
Division Director
Salt Lake City, Utah 84180-1203
801-538-5340

July 14, 1992

Theon and Annette Bauer 362 North 600 West Cedar City, Utah 84720

Dear Mr. and Mrs. Bauer:

Re: Public Notice to Owners of Record, Mine Plan Permit Revision, Tenneco Minerals Company - Utah, Goldstrike Mine, M/053/005, Washington County, Utah

Pursuant to Rule 647-4-116 of the Utah Division of Oil, Gas and Mining's Minerals Reclamation Program, you are hereby notified of the Division's intent to issue tentative approval for Tenneco Minerals revised permit application for their Goldstrike project in Washington County, Utah. This rule requires that all owners of record of the land affected be notified of said action. A copy of the attached public notice that will be published in the local and Salt Lake area newspapers is attached for your reference and information.

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Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program



Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director
Division Director

July 14, 1992

Mr. Ken A. Kluksdahl Mine Manager Tenneco Minerals Company - Utah P. O. Box 2650 St. George, Utah 84771

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Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program



355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

July 14, 1992

Ms. Debbie Pietrzak Bureau of Land Management Dixie Resource Area P. O. Box 726 St. George, Utah 84770

Dear Ms. Pietrzak:

Re: Public Notice to Owners of Record, Mine Plan Permit Revision, Tenneco Minerals Company - Utah, Goldstrike Mine, M/053/005, Washington County, Utah

Pursuant to Rule 647-4-116 of the Utah Division of Oil, Gas and Mining's Minerals Reclamation Program, you are hereby notified of the Division's intent to issue tentative approval for Tenneco Minerals revised permit application for their Goldstrike project in Washington County, Utah. This rule requires that all owners of record of the land affected be notified of said action. A copy of the attached public notice that will be published in the local and Salt Lake area newspapers is attached for your reference and information.

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Sincerely,

D. Wayne Hedberg Permit Supervisor

Minerals Regulatory Program

TRANSMIT CONFIRMATION REPORT

Journal No. 005

Receiver

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Transmitter Jul 15,92 10:20 Date

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Result OK m/053/005



Dianne R. Nielson, Ph.D.

Division Director

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

Date: July 15
Number of Pages Including This Cover Sheet:
· · · · · · · · · · · · · · · · · · ·
TO: <u>Larry Sore</u> BLM- Difie Resource Area
255 N. Bluff PO Box 726
St Sleage Ut 84770
Phone: (Fax) 1-327-0200
FROM: Wayne Heddery Job
Minerals Reclamation and Development Program
Phone: (801) 538-5340
FAX: (801) 359-3940
SUBJECT: Jenneco minerals Jentative Approval and Public Natice:
and Public Notice.
REMARKS:

Should you encounter any problems with this copy, or do not receive all the pages, please call

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m/053/005

Journal No. : 003

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TRANSMIT CONFIRMATION REPORT .**

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355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203

Executive Director	3 Triad Center, Suite 350
Dianne R. Nielson, Ph.D. Division Director	Salt Lake City, Utah 84180-120 801-538-5340

Date:	Jely 15.1992
	f Pages Including This Cover Sheet: 5
TO:	Daily Spectrum Atta: Oouna
Phone: (F	(ax) 473 - 9737
FROM:	Minerals Reclamation and Development Program
Phone:	(801) 538-5340
FAX:	(801) 359-3940
SUBJECT:	Notice of Tentative approval - m/053/005
REMARKS:	Original hard capy in mail

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MN9/61

** TRANSMIT CONFIRMATION REPORT **

Journal No. : 002

Receiver

Transmitter : DIV OIL GAS & MINING

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Result : OK

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Executive Director

Dianne R. Nielson, Ph.D. Division Director DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203

801-538-5340

Date:	
TO: <u>Newsfafer Agency Carp.</u> Attn: Legal Oept.	,
Phone: (Fax) 237-2776	
FROM: Jaelle Burns	
Minerals Reclamation and Development Program	
Phone: (801) 538-5340	
FAX: (801) 359-3940	
SUBJECT: Notice of Tentative approval - M/05 3/0	005
REMARKS: Original hard capy in mail-	

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MN9/61

** TRANSMIT CONFIRMATION REPORT **

Journal No. : 006

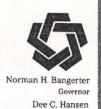
Receiver : 801 942 1852

Transmitter : DIV DIL GAS & MINING Date : Jul 15,92 10:40

Document : 09 pages
Time : 04'48"
Mode : G3 NORMAL

Result : OK

m/053/005



Executive Director

Division Director

Dianne R. Nielson, Ph.D.

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple Salt Lake City, Utah 84180-1203

3 Triad Center, Suite 350 801-538-5340

Date:
TO: Elliott Ligs JBR
Phone: (Fax) 942-1852
FROM: Wayne Hedberg Job Minerals Reclamation and Development Program
Phone: (801) 538-5340
FAX: (801) 359-3940
SUBJECT: <u>Jenuero Municals</u> - <u>Sentature Approval Lette</u>
REMARKS: Hard capy of letter in todays mail.

Should you encounter any problems with this copy, or do not receive all the pages, please call

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